Amherst, MA

Housing Needs Assessment

An Assessment of Rental
Housing Need for Families

Prepared for the
HAP Housing
Springfield, MA

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A. EXECUTIVE SUMMARY

HAP Housing of Springfield MA engaged consultant John Ryan d/b/a Development Cycles of Amherst, MA to prepare a market feasibility assessment for a new 42-unit rental development in Amherst, MA. The following summarizes key findings and recommendations from that assessment.

Community Context

The site for this proposed 42-unit development is located in North Amherst, MA less than one mile from the University of Massachusetts- Amherst campus. The presence of the university dominates this town of roughly 36,000 residents. The university is by far the region's largest employer and its student population makes up more than half of the town's residents. The university supports a scale of cultural and commercial activity untypical of communities this size. The community is relatively diverse, both in terms of race and income. More than half of the town's residences are rented and over 10 percent of its housing appears on the state's subsidized housing inventory. The school system is highly regarding within the region and is a draw to families living elsewhere in the larger market area.

Description of the Site

The development site will be leased on a long-term basis from the Town of Amherst. It is located at the end of Olympia Drive in an area off East Pleasant Street known as Fraternity Park.

- Site & adjacent properties: Abutting uses include Village Park, a 200-unit Sec 8/ Sec 236 rental development; two chapter houses in a planned fraternity/ sorority park; a range of administrative and support buildings associated with the university; and a relatively large tract of conservation land.

- Infrastructure: Natural gas, water, sewer and electric are all available to the site at the end of Olympia Drive.

- Neighborhood housing: The housing on and around the site along East Pleasant Street consists primarily of moderate to good quality single-family homes. Neighboring Village Park is located in a separate campus-like setting. The project itself will have a relatively private setting with only one of the fraternity chapter houses visible to some units.

Summary of the Project

The proposed 42-unit development aims to serve 100 percent low-income households earning less than 60 percent of Area Median Income (AMI). The proposed unit-mix and rent schedule are as follows:

	<30% AMI Sec 8 *(5 units)*	< 50% AMI Rental Assist *(3 units)*	<60% AMI Low HOME *(3 units)*	<60% AMI LIHTC *(31 units)*
8 units 1 bedroom	*1 unit* 30% AGI	*1 unit* 30% AGI	*1 unit* $726	*5 units* $880
21 units 2 bedroom	*3 units* 30% AGI	*1 unit* 30% AGI	*1 unit* $880	*16 units* $1,056
13 units 3 bedroom	*1 unit* 30% AGI	*1 unit* 30% AGI	*1 unit* $1,016	*10 units* $1,220

Analyst's Summary of Market Feasibility

The Amherst rental market is traditionally quite strong and has not been affected by the recent recession. It is driven largely by enrollment at the University of Massachusetts, which provides on-campus housing for only about 12,000 of its 27,500-student body. Especially in years with increasing enrollments, students absorb most of the community's relatively large stock of market rate rental housing. Even when enrollments are down, Amherst is the regional community least impacted by those changes as vacancies occur in direct proportion to the property's distance from the UMass campus. Full-time students are not eligible to live in LIHTC housing, but their presence generates a relatively large number of low-wage service jobs that in turn gives rise to a relatively large supply of low-income households. The community and the site are quite attractive from a market perspective. The site is located on public bus lines and is near both jobs and services. The local schools have an excellent reputation. Housing opportunities in Amherst draw not only from current residents, but also from residents in several immediately surrounding communities. In all, the consultant sees the site and the project marketable within the context of the recommendations listed below.

Summary of Market Related Strengths & Weaknesses

The key strengths of the project include the following:

- A strong local rental market
- An attractive location near the university and on a bus line
- Planned enrollment increases at the University of Massachusetts through 2020

- ❖ Attractively designed new units with a range of unit types to fit various needs
- ❖ Proposed tax credit rents that are $45-$355/ month below market median rents
- ❖ An attractive amenity package including a community building, playground and access to conservation area walking trails.
- ❖ A significant number (450+/-) of Section 8 traveling voucher holders in use in Amherst that could relocate to the proposed development to supplement market-rate tenant demand.

Marketing weaknesses include:

- ❖ A relatively small cohort of non-student renters with incomes below 60 percent of AMI, who can also afford the proposed rents.
- ❖ The proximity of the abutting fraternity and sorority chapter houses may have a small negative impact on market demand for the site.
- ❖ The University and thus the community depend highly on year-to-year funding decisions by the state legislature. This adds an element of risk comparable to a community being dependent on one very large employer.

In all, the consultant considers the site and the general development plan marketable with the recommendations suggested.

Local Preference Demand

HAP Housing's proposal to the Town of Amherst offers to provide a Local Preference for up to 70 percent of the units. Given the analysis of eligible households and market capture, the consultant projects local market demand from current Amherst residents will indeed exceed 70 percent of the available units. At the same time, only 65 percent of the total projected demand for these units will likely come from current residents and 35 percent from the secondary market area. Expanding the Local Preference criteria to include those currently working in the community should ensure that at least 70 percent of initial occupants fall within Local Preference guidelines. Given the community's racial diversity, especially within rental units, it should not be difficult for this project to meet the regional standard for minority units while still offering a 70 percent local preference.

Recommendations

The following represent the consultant's recommendations to improve marketability:

- ❖ Work to find a funding mechanism to offset the loss of tax credits in order to allow at least a few units where households earning over 60 percent of AMI may qualify. This will significantly increase the

total number of eligible applicants. The following expresses the consultant's optimal distribution of units by bedroom size and AMI to correspond to the actual demand distribution.
Note: The demand is sufficient to effectively market the project as proposed. This represents the distribution that would optimally meet market demand. It is provided simply as a guide to consider alternative financing approaches.

Bedrooms/ AMI	< 30% Sec 8	30-50% Low HOME	50-60% LIHTC	60-80% CPA	80+% CPA
One Bedroom	2	1	2	2	1
Two Bedroom	4	3	10	2	2
Three Bedroom	2	2	7	1	1
Total	8	6	19	5	4

- Target the marketing effort to existing UMass non-professional workers as well as workers in the nearby retail malls, during the rent up phase of this project. These are the largest cohorts whose incomes will qualify them for units.

- Expand the Local Preference criteria to include those currently working in the community but not current living in Amherst.

- Work with the Amherst Housing Authority to ensure that traveling voucher holders know about the project as an option.

- Make every effort to have units available for rent in time for the key turnover dates in the community of May 1 and September 1. To miss the September 1 date could slow initial absorption considerably.

B. PROJECT DESCRIPTION

The following provides characteristics of the proposed development in accordance with the National Council of Affordable Housing Market Analysts (NCAHMA) Model Contents Standards for Market Studies for Rental Housing, Section B.

Units & Utilities

- Number of units: 42

- Bedroom Distribution:

# of Bedrooms	Units
One	8
Two	21
Three	13
Total	42

- Baths: All units have at least one full bath; several two and three-bedroom units have 1.5 baths.

- Income limit: The project aims to serve only residents with incomes at or below 60 percent of AMI with 11 units reserved for residents earning at or below 50 percent of AMI, currently:

Household Size	1	2	3	4	5
50% AMI	$27,400	$31,300	$35,200	$39,100	$42,250
60% AMI	$32,900	$37,600	$42,300	$46,900	$50,700

- Unit sizes:

# of Bedrooms	Square Feet
One	670
Two	995-1,085
Three	1,028-1,152

- Utility allowance: The contract rent will include heat and hot water. Tenants will pay for their own electricity and cooking fuel, as well as cable and phone service. The adjustment for tenant-paid utilities will be:

	1 Bedroom	2 Bedroom	3 Bedroom
Tenant-paid Utilities	$44	$59	$74

Projected Construction Timetable

- Construction start/ completion: The developer hopes to start construction in April 2012, with a completion date of June 2013.
- Start of pre-leasing: Market efforts will begin in earnest six months prior to the availability of the last unit. Currently, that is projected for December 2012.
- Site constraints: The site has no legal frontage, and is accessed by means of a Town easement over UMass-Amherst property. The Comprehensive Permit process will address the lack of frontage. The developer is also working with the Town to designate Olympia Drive as a public way.

Project Description

The following summarizes the key characteristics of the project:

- Number of buildings: 11 residential buildings plus a community building. The residential buildings range in size from 3-5 units.
- Design: A mix of townhouse and garden style units including 14 first floor flats that are either ADA accessible or adaptable; 27 townhomes with 2nd floor bedrooms; and one townhome with a first floor bedroom.
- Number of stories: two (no basement)
- Unit amenities: Basic appliances, washer and dryer hookups, private outdoor storage.
- Common amenities: Community room with kitchenette, laundry facilities, two play areas, community gardens, bus service with stop at project.
- Site amenities: Approximately 7.21 Acres of dedicated wooded open space is part of the project including nature trail connected to the housing.
- Parking: the developer is currently proposing 71 open, unassigned spaces.

Summary of Project Strengths & Weaknesses

The key strengths of the project include the following:

- An attractive location near the university and on a bus line
- Attractively designed new units with a range of unit types to fit various needs
- An attractive amenity package including a community building, playground and access to conservation area walking trails.

Project-related weaknesses include:

- A limited range of incomes served
- The proximity of the abutting fraternity and sorority chapter houses may have a small negative impact on market demand for the site.
- The University and thus the community depend highly on year-to-year funding decisions by the state legislature. This adds an element of risk comparable to a community being dependent on one very large employer.

In all, the consultant considers the site and the general development plan marketable.

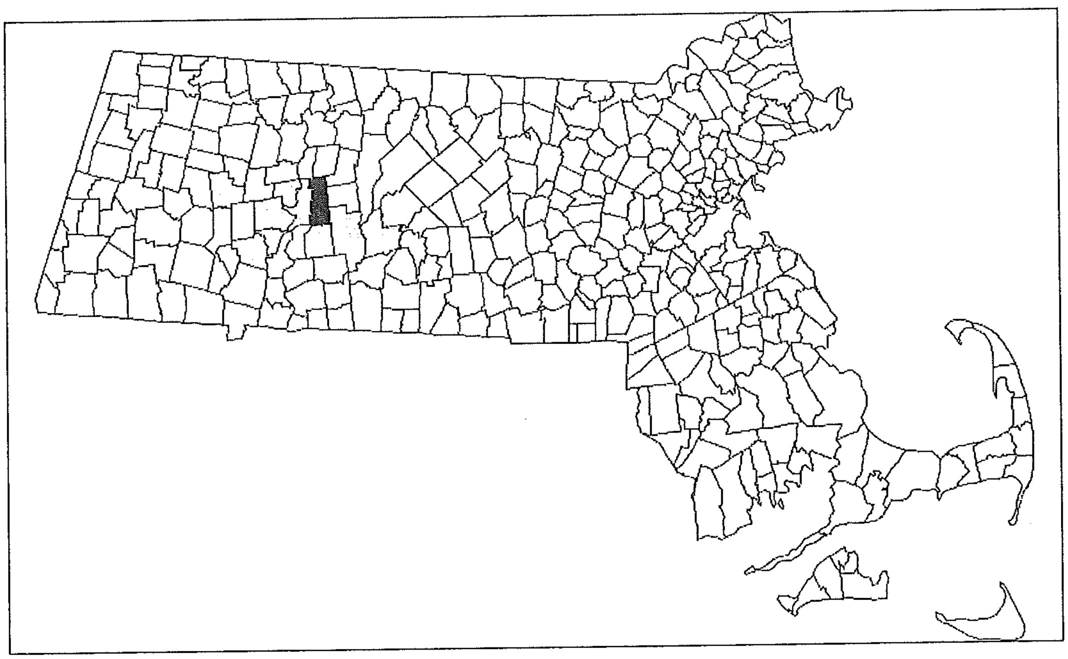
C. LOCATION & MARKET AREA DEFINITION

The following provides characteristics of the site location and market area in accordance with NCAHMA Market Study Standards, Section C.

Primary Market Area

The site is located in Amherst, a university dominated community located within Hampshire County in west-central Massachusetts. The property is located about 90 miles from Boston and 25 miles from Springfield, the regional center for Western Massachusetts.

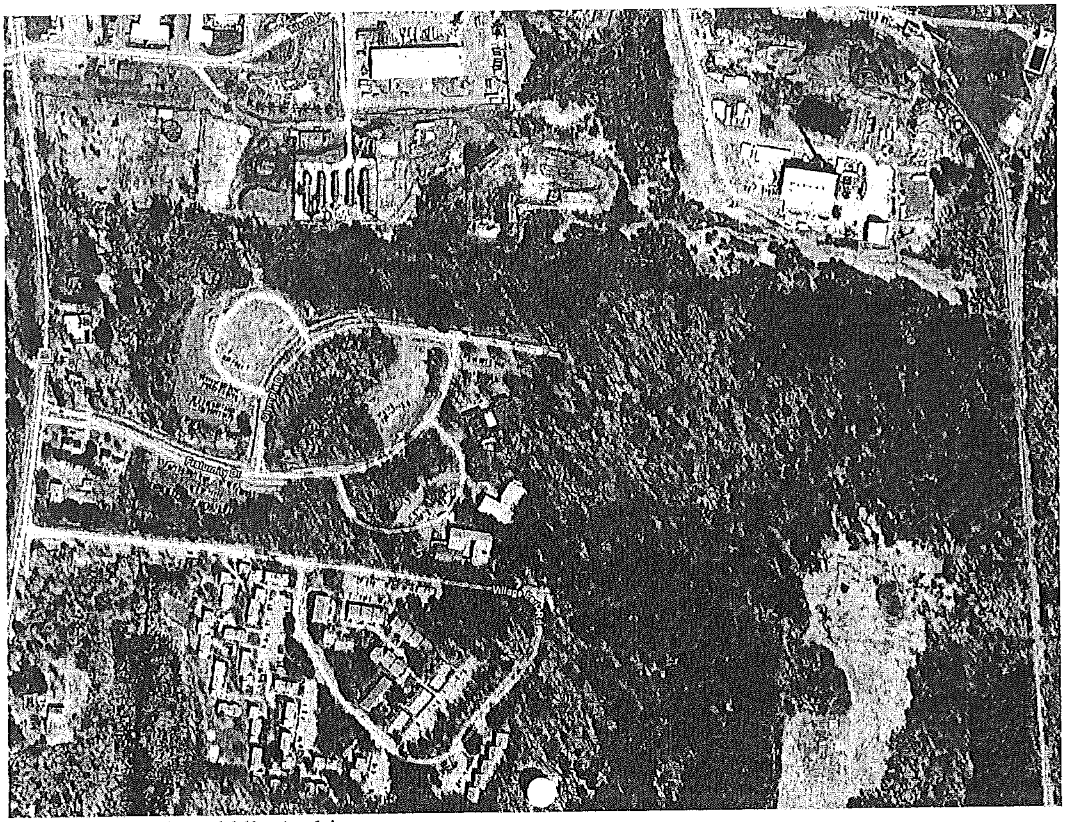
Fig. C.1
Location of Amherst within Hampshire County & Massachusetts



- Basis for market determination: The consultant based his evaluation of the market area based on 25 years experience working on housing developments in Massachusetts and elsewhere. The consultant also asked several area apartment managers and Realtors for their assessment of the market for this project.

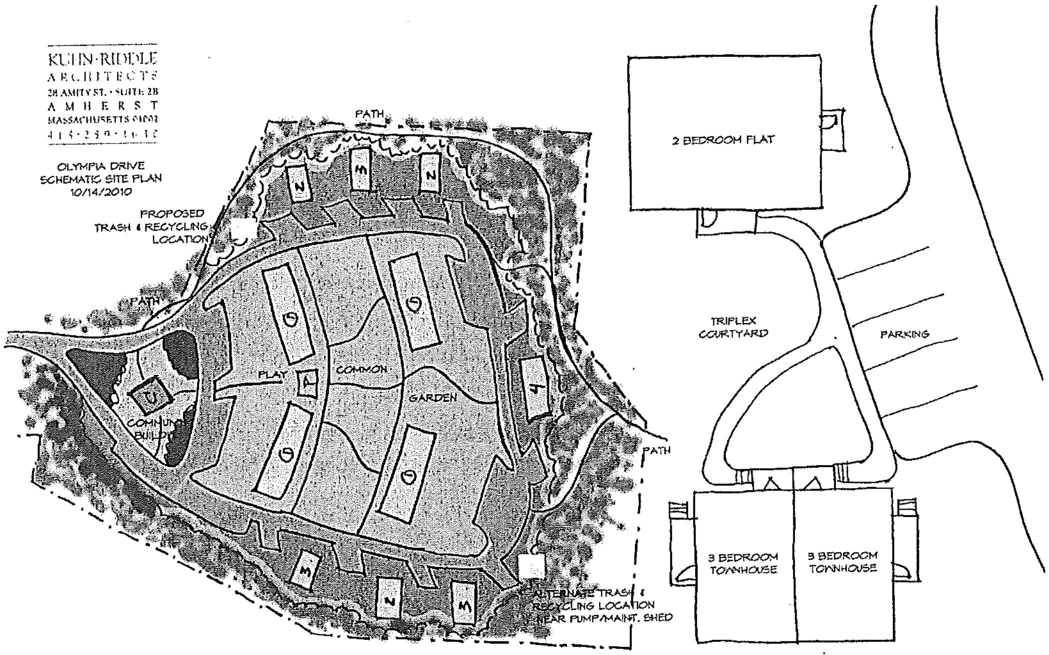
- Boundaries of Market Area & Census Tracts: The Primary Market Area consists of the Amherst census tracts (5820300-5820802) and is demarcated by the boundaries of that community. The Secondary Market Area consists of the census tracts for the communities of Leverett (1040600), Sunderland (1040800), Pelham (5820202), Belchertown (5820203-04), Hadley (5821400), Northampton (5821600-5822200), and South Hadley (5821400) and is demarcated by the boundaries of those seven communities.

Fig.C.2
Aerial Photo of Neighborhood Showing Site



SOURCE: Kuhn Riddle Architects

Fig. C.3
Proposed Site Sketch Plan



SOURCE: Kuhn Riddle Architects

Finished Site Conditions

- Size: 13.5 Acres
- Shape: Roughly rectangular
- General topography: Relatively flat
- Vegetation: Fully wooded
- Site Utilities: Natural gas, water, sewer and electric are all available to Olympia Drive at the site end of the road.
- Proximity to adverse conditions: None

Photos of Site: See Appendix A

Site Marketability

The consultant considers the site marketable for the proposed development. The site location is convenient to both area jobs and services and is within walking distance of the University of Massachusetts campus, the region's largest employer. Bus service stops directly at the site. The site itself is wooded and relatively attractive, with access to hiking trails and conservation land. The neighborhood is relatively free of negative conditions.

Site Visibility and Access

East Pleasant Street is a relatively well-traveled thoroughfare connecting Amherst Center with North Amherst and several smaller communities to the north. Since the area has functioned so long as a semi-developed fraternity park and is not directly visible from the road, it will take some time and some signage for the proposed project to identify itself and distinguish itself from the nearby Village Park project. Access to the site from East Pleasant Street is excellent with good road conditions and site lines. Relatively flat terrain will make accessibility within the site straightforward.

D. POPULATION & HOUSEHOLDS

The following provides characteristics of the population and households in accordance with NCAHMA Market Study Standards, Section D.

Demographic Characteristics

Amherst is a moderately sized community with just over 36,000 residents. The population has grown by nearly four percent since 2000. Amherst's recent and projected rate of growth is comparable to statewide growth and has been several times higher than growth in the surrounding communities that comprise the Secondary Market Area for this project. Roughly half of Amherst's residents are full-time students at the University of Massachusetts, Amherst College and Hampshire College. Increases in UMass student enrollment likely count for much of the community's population growth since 2000.

Fig. D.1
Population
Amherst, Secondary Market Area, MA, 2000-2015

	Amherst	Secondary Market Area	State
2000	34,873	81,077	6,349,097
2009 estimate	36,247	81,954	6,593,587
2015 projection	36,650	82,350	6,667,500
Percent Change 00-09	*3.9%*	*1.1%*	*3.9%*
Percent Change 09-15	*1.1%*	*0.5%*	*1.1%*

SOURCE: US Census Table A1, and MISER and Development Cycles

No other large community in Massachusetts has the age distribution Amherst has, with over 60 percent of its population under 25 years old. Taking away the student population, Amherst is still a young community, but is aging like everywhere else. Residents over age 55 represented the community's fastest growing age cohort in the past decade. This group grew by 45 percent from 2000-2009, largely through aging in place, but also in response to the community's growing reputation as an attractive place to retire.

Fig. D.2

Age Distribution

Amherst, Secondary Market Area, 2000-2015

2000	Primary Market Area (Amherst)	Secondary Market Area	Primary Market Area (Amherst)	Secondary Market Area
Under 18 Years Old	4,351	12,410	n/a	n/a
18-24 Years Old	17,596	19,988	n/a	n/a
25-34 Years Old	3,149	8,037	n/a	n/a
35-54 Years Old	6,004	22,045	n/a	n/a
55 and Over	3,773	18,597	n/a	n/a
Total	34,873	81,077	n/a	n/a
2009			Change 00-09	
Under 18 Years Old	4,094	11,637	-5.9%	-6.2%
18-24 Years Old	18,260	20,161	3.8%	0.9%
25-34 Years Old	3,704	8,851	17.6%	10.1%
35-54 Years Old	4,720	19,997	-21.4%	-9.3%
55 and Over	5,469	21,308	45.0%	14.6%
Total	36,247	81,954	3.9%	1.1%
2015			Change 09-15	
Under 18 Years Old	3,924	11,380	-4.2%	-2.2%
18-24 Years Old	18,840	20,587	3.2%	2.1%
25-34 Years Old	3,665	8,972	-1.1%	1.4%
35-54 Years Old	4,579	19,054	-3.0%	-4.7%
55 and Over	5,642	22,357	3.2%	4.9%
Total	36,650	82,350	1.1%	0.5%

SOURCE: 1990, 2000, 2009 U.S. Census; 2015 projection from MISER, updated by Development Cycles.

Enrollment at UMass Amherst is the key driver of rental housing demand in the community. The university is in the midst of a stated plan to grow enrollment to 29,000 by 2020. In the past ten years, total enrollment has grown by nearly 2,000 students. During that same time, the University provided 850 new dorm beds. In all, UMass provides on-campus housing for just over 12,000 of its more than 27,500 students.

Fig. D.3
Enrollment
University of Massachusetts, Amherst,1999-2015

	Undergraduate	Graduate	Total
1999	19,422	5,659	25,081
2005	19,394	5,699	25,093
2010	21,373	6,196	27,569
2015 (Projected)	22,500	6,400	28,900
Change1999-2010	*1,951*	*537*	*2,488*
Percent	*10%*	*9%*	*10%*

SOURCE: UMass Office of Institutional Research

Students dictate that just over 60 percent of Amherst's current renters live in households with a householder aged 35 or less. This compares to 41 percent in the Secondary Market Area and 37 percent statewide.

Fig. D.4
Renter Households, By Age of Householder
Amherst, Secondary Market Area, Massachusetts,
2000-2010 Estimate

2000	Amherst #	Amherst %	Secondary Market Area %	State %
Under 35 Years Old	3,006	60%	41%	37%
35-54 Years Old	1,320	26%	36%	36%
55 and Over	719	14%	23%	27%
Total	5,045	100%	100%	100%
2010 Est.				
Under 35 Years Old	3,250	61%	42%	36%
35-54 Years Old	1,300	24%	34%	35%
55 and Years Old	780	15%	24%	29%
Total	5,330	100%	100%	100%

SOURCE: 1990, 2000 U.S. Census; 2010 estimate from MISER, updated by Development Cycles.

Another aspect of housing in a college town is the tendency for students to live in larger households. As a result, the Primary Market Area's rental housing is skewed toward more three to five person households with a significantly smaller share of renters living alone. It appears that the SMA compensates for that somewhat with higher concentrations of single person renters than is true statewide.

Fig. D.5
Renter Household, By Household Size
Amherst, Secondary Market Area, Massachusetts, 2000

Type	Amherst #	Amherst %	Secondary Market Area %	State %
One Person	1,785	35%	47%	41%
Two Persons	1,459	29%	30%	28%
Three Persons	847	17%	13%	14%
Four+ Persons	954	19%	10%	17%
Total	5,045	100%	100%	100%

SOURCE: U.S. Census 2000, STF-3, H17

Most Amherst renters live in apartment complexes while a very high percentage of owners live in single-family homes. Amherst's rate of renters living in single-family homes is among the lowest in the state. The size and scale of the proposed development will actually seem relatively small compared to most of the rental housing available in the community.

Fig. D.6
Tenure By Units in Building
Amherst, Secondary Market Area, Massachusetts, 2000

	Amherst	Amherst % of All	Secondary Market % of All	State %
Renters	5045			
Single Family	299	6%	15%	10%
Owners	4128			
Single Family	3536	86%	84%	65%

SOURCE: U.S. Census 2000, STF-3, H32

Despite having larger household sizes, Amherst is remarkably similar to the SMA and the State in terms of rental bedroom distribution. Far more students "double up" in order to make rent affordable compared to working residents. Three-quarters of the rental units in Amherst are two-bedrooms or less.

Fig. D.7
Renters By Bedroom Size
Amherst, Secondary Market Area, Massachusetts, 2000

	Amherst	Amherst % of All	Secondary Market % of All	State %
Studio	272	5%	4%	6%
One	1657	33%	33%	33%
Two	1891	37%	41%	35%
Three	880	17%	16%	18%
Four or More	345	7%	6%	4%
Total	5045	100%	100%	100%

SOURCE: U.S. Census 2000, STF-3, H42

HUD's State of the Cities Data System uses Census data to characterize renter households by age, type and in relation to Area Median Income (AMI). In 2010, fully half of the more than 5,000 renter households in Amherst have household incomes below 60 percent of AMI. Nearly a quarter of these households have extremely low incomes (<30 percent of AMI). Again, more than 60 percent of these low and extremely low-income (ELI) renters are actually students; another 12 percent are elderly. Still, Amherst is home to over 1,000 LIHTC-eligible non-student renter households who could move to the proposed development.

The SMA includes nearly 10,500 renter households. Forty-seven percent of these earn less than 60 percent of AMI. A much higher percentage of elderly households in the SMA are low income. The SMA is home to roughly the same number of student renters as the PMA, and about 1,500 LIHTC-eligible, non-elderly renter households.

Fig. D.8

Renters By Household Type, Size and AMI

Primary and Secondary Market Area, 2000-2010

Primary Market Area (Amherst)

2000	Elderly (1 or 2 persons)	Small Related (2 or 3 non-elderly persons)	Large Related (4+non-elderly persons)	All Other (non-elderly	Total	% of Total
<=30% AMI	75	263	30	880	1248	23%
>30 to <=60% AMI	217	321	38	831	1407	26%
>60 to <=80% AMI	143	173	47	442	805	15%
>80% AMI	455	455	90	870	1870	35%
Total	890	1212	205	3023	5330	100%
% of Total Renters	17%	23%	4%	57%	100%	
2010 Estimate						
<=30% AMI	67	305	33	900	1305	24%
>30 to <=60%AMI	250	335	35	850	1470	27%
>60 to <=80% AMI	128	160	45	440	773	14%
>80% AMI	490	455	82	915	1942	35%
Total	935	1255	195	3105	5490	100%
% of Total Renters	17%	23%	4%	57%	100%	

Secondary Market Area

2000	Elderly	Small Related	Large Related	All Other	Total	% of Total
<=30% AMI	592	592	14	1198	2396	23%
>30 to <=60%AMI	683	544	89	1111	2427	23%
>60 to <=80% AMI	212	439	81	688	1420	14%
>80% AMI	399	1283	119	2400	4201	40%
Total	1886	2858	303	5397	10444	100%
% of Total Renters	18%	27%	3%	52%	100%	
2010 Estimate						
<=30% AMI	600	600	15	1220	2435	23%
>30 to <=60%AMI	690	560	85	1150	2485	24%
>60 to <=80% AMI	220	430	80	666	1396	13%
>80% AMI	399	1240	120	2364	4123	39%
Total	1921	2830	300	5400	10451	100%
% of Total Renters	18%	27%	3%	52%	100%	

SOURCE: HUD State of the Cities Data System for 2000 data; Development Cycles for 2010 estimate.

What emerges from the demographic and income profile is a primary market area dominated by students and young adults. There continues to be population growth especially among renter households. Roughly 1,000 non-elderly, non-student renter households in the community would qualify for tax credit housing. More than half of these households would have trouble paying the tax credit rents given their low incomes, however. The Secondary Market Area contribute another 1,500 non-elderly, non-student households who would qualify for housing aimed at households earning <60 percent of AMI.

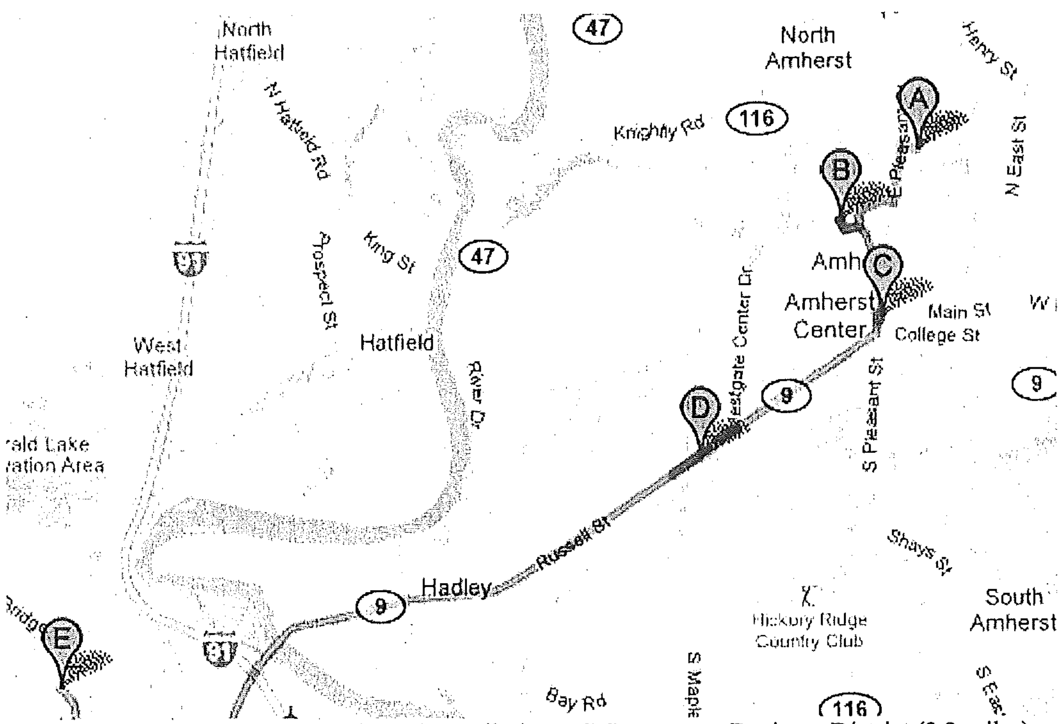
E. AREA SERVICES

The following characterizes market area services in accordance with NCAHMA Market Study Standards, Section D.

Shopping & Related Services

The proposed development site is located 2.2 miles from the Amherst Central Business District and five miles from two major shopping centers, the Hampshire Mall and the Mountain Farms Mall. Public bus service connects the site to both of these retail service areas. Between them they provide the full range of retail and commercial services.

Fig. E.1
Location of Nearest Essential Services



A. Site B. UMass- Amherst (1.2 miles) C. Downtown Business District (2.2 miles)
D. Hampshire & Mountain Farms Malls (5.0 miles) E. Cooley-Dickinson Hospital (10.7 miles)

Transportation

An extensive public bus system serves the region in order to facilitate transportation for students in the Five College Area. The system connects the site to both local destinations and to regional public transportation hubs. The site is located about eight miles from I-91, the major north-south thoroughfare for Western Massachusetts and is about 20 miles from I-90, the major east-west highway. Amherst is served by Amtrak train service and is about 40 miles from Bradley International Airport.

Health Care

Amherst is home to a full range of outpatient health care services. The nearest hospital is Cooley-Dickinson, located about ten miles from the site in Northampton, MA. Baystate Medical Center, 22 miles from the site in Springfield, is the Regional Trauma Center for Western Massachusetts.

F. EMPLOYMENT AND ECONOMY

The following provides characteristics of employment and the economy in accordance with NCAHMA Market Study Standards, Section F.

Jobs & Wages

Since 2001, Amherst employers have added over 1,500 jobs representing a gain of roughly 12 percent. The secondary market area also grew by about 12 percent adding 3,500 new jobs over the decade. In clear contrast, employers in the Commonwealth generally recorded a net loss of 140,000 jobs or about four percent of the total jobs in the state. Jobs in Western Massachusetts do not pay as well as they do elsewhere in the state. With an average wage of $45,604 in 2009, the average wage jobholder in Amherst earned only 81 percent of the average wage paid statewide. In the secondary market, the average wage is only 69 percent of the statewide average. Over the past decade, average wages have grown by about 25 percent in all three areas.

Figure F.1
Jobs and Wages
Amherst, Secondary Market Area & Massachusetts, 2000-2009

2001	Amherst	Secondary Market Area	Massachusetts
Local Jobs	13,039	30,746	3,276,103
Average Wages	$36,348	$31,113	$44,980
2005			
Local Jobs	13,986	34,952	3,161,766
Average Wages	$41,600	$33,454	$50,076
2009			
Local Jobs	14,606	34,373	3,136,539
Percent Change	*12%*	*12%*	*-4%*
Average Wages	$45,604	$39,058	$56,264
Percent Change	*25%*	*26%*	*25%*

SOURCE: MA EOLWD, Covered Employment & Wages Series

Employment by Industry Sector

Amherst remains an anomaly in terms of employment by industry sector. Fifty eight percent of all local jobs in Amherst are in the Educational Sector, compared to 17 percent in the SMA and only nine percent statewide. Leisure and Hospitality is the only other sector where Amherst's concentration is higher than the State's. Goods-producing industries in Amherst account for only two percent of local jobs. This compares to 13 percent in the SMA and 17 percent statewide.

Fig. F.2
Jobs by Industry Sector
Amherst, Secondary Market Area & Massachusetts, 2009

Industry Sector	Amherst % of All Jobs	SMA % of All Jobs	State % of All Jobs
Health Care and Social Assistance	7%	17%	13%
Goods Producing Industries	2%	13%	17%
Retail	6%	14%	11%
Government	3%	5%	4%
Leisure & Hospitality	11%	11%	9%
Educational Services	58%	17%	9%
All Other	13%	24%	37%

SOURCE: MA EOLWD, Covered Employment & Wages Series

Major Employers

UMass Amherst accounts for more than half of all jobs in the community. There has been no net job growth for the UMass Amherst campus since 2000. Indeed, the University's peak employment year was 2001. The nearly 9,000 full-time or part time staff includes just over 2,000 classified (non-professional or faculty) employees and 2,550 graduate school appointments. Many of the classified jobs are relatively low-paying service jobs. As such, they represent a critical focus of marketing aimed at residents earning between 50- 60 percent of AMI. Amherst College, Hampshire College, and the Town of Amherst are the only other major employers in the community.

The SMA includes several employers with at least 250 employees. Cooley-Dickinson Hospital is the largest employer other than UMass in the combined market areas. Two other major educational institutions, Smith College and Mount Holyoke College also employ more than 500 workers each. Three major retail chains-- Stop & Shop, Walmart and Whole Foods-- also employ over 250 employees each. Again, most of these retail jobs are relatively low paying.

Fig. F.3
Major Employers in Primary and Secondary Market Area

Employer	Industry Sector	Employer Size	Change in Past 2 Years
Primary Market (Amherst) University of Massachusetts Amherst	Education	5,000+	Growing
Amherst College	Education	500-999	Stable
Town of Amherst	Government	500-999	Stable
Hampshire College	Education	250-499	Stable
Secondary Market Area Cooley-Dickinson Hospital	Health	1,000+	Stable
Smith College	Education	1,000+	Growing
Mount Holyoke College	Education	500-999	Stable
Super Stop & Shop, Hadley, Northampton	Retail	500-999	Stable
Walmart, Hadley, Northampton	Retail	250-499	Growing
Whole Foods Market, Hadley	Retail	250-499	Stable

SOURCE: MA EOLWD and interview with employers and Chamber of Commerce

Historical Unemployment Rate

Fig. F.4 compares Amherst's unemployment rate with that of the SMA and state since 2005. Over the years, Amherst's unemployment rate has range between 67 and 75 percent of the statewide levels. Over the past five years, the SMA's unemployment rate falls somewhere in between local and the statewide averages. Low unemployment is one of the primary indicators of healthy rental housing demand. Over the years, the consultant has tracked a direct correlation between the unemployment rate and the rental vacancy rate at most jurisdictions.

Fig. F.4
Unemployment Rate
Amherst, Secondary Market Area & Massachusetts, 2005-2010

Year (September)	Amherst	SMA	State
2005	3.0%	4.0%	4.8%
2006	3.6%	4.0%	4.7%
2007	3.1%	3.6%	4.4%
2008	4.0%	4.6%	5.7%
2009	6.3%	7.3%	9.0%
2010	5.6%	6.6%	8.4%

SOURCE: MA EOLWD Employment Series

Employment Change

Despite the recent recession and staffing reductions on the UMass Amherst campus, the area employment picture is relatively strong, outperforming much of the rest of the state. The average wage paid in Amherst is only 81 percent of the statewide average wage. That percentage drops to 69 percent when comparing average wages in the SMA to the statewide average. The community's housing market has the long-term risks inherent in having one dominant employer, though in the past decade there has been significant diversification with all of the ten plus percent growth in jobs coming elsewhere than from the university.

G. EXISTING RENTAL HOUSING STOCK

The following provides characteristics of the market area's existing rental stock in accordance with NCAHMA Market Study Standards, Section G.

Overall Rental Market

- HUD Fair Market Rents, 2010: the following represent the current HUD Fair Market Rents for Amherst, MA:

One Bedroom	$ 699
Two Bedroom	$ 888
Three Bedroom	$1,063

The proposed Olympia Drive one-bedroom rents range from $27-181/ month higher than HUD's FMR; proposed two bedroom rents range from $8/ month below to $168/ month above FMR; and proposed three bedroom rents range from $109/ month below to $157/ month above FMR.

- Area Market Rents: Based on a review of rents by the University Massachusetts, Amherst's Off-Campus Housing Office from September 1, 2009 to August 31, 2010, supplemented by a review of current rent notices posted online or offered in the Northampton Gazette, and a survey of comparable apartment complexes, the consultant estimates the current market rents in Amherst as follows:

One Bedroom	$595- $1,400 including heat/ hot water **median: $/ 925 inc.**
Two Bedroom	$685- $2,000 including heat/ hot water **median: $/1,125 inc.**
Three Bedroom	$1,350- $2,300 including heat/ hot water **median: $/ 1,575 inc.**

Actual market rents are significantly higher than HUD's FMR. By comparison, the 31 tax credit rents proposed for the Olympia Drive project range from $45- $355/ month below current market median rents. The market advantage for the other 11 units is larger.

- Vacancy Rate: Amherst has traditional had a very low vacancy rate, significantly lower than the region or state. At a time when the national rental vacancy rate exceeds ten percent, Amherst's vacancy rate is below two percent

Fig. G.1
Vacancy Rate
US, Northeast, Massachusetts, Hampshire County, Amherst 2000-2009

	2000	2005	2009
US	8.0%	9.8%	10.6%
Northeast	8.8%	12.2%	10.5%
Massachusetts	3.7%	5.7%	6.0%
Hampshire County	2.9%	3.7%	3.8%
Amherst	1.8%	2.2%	1.6%

SOURCE: U.S. Census; 2005/ 2009 for Amherst and Hampshire County estimates by Development Cycles

Comparable Properties

The consultant selected eight apartment complexes from among about 20 larger rental complexes in Amherst. These eight were chosen because they were either subsidized developments, utilized many Sec 8 vouchers, or represented lower-cost market rate developments in North Amherst. In this way, they represent the most similar developments to the one proposed.

These eight comparable complexes range in size from 56-378 units. Taken together, their 1,252 units represent about a quarter of the town's rental units. They range in age from four to 40 years. All but one is in at least moderate condition. They provide a range of one-, two-, three-, and four-bedroom units. Just about half are rented to students. Currently, only four of the 252 units are vacant for a 99.7 percent occupancy rate. There are significant waiting lists for deeply subsidized units but little or no waits for "high HOME' or market rate units.

One bedroom rents in these complexes range from \$650- \$1,050/ month including utilities. This represents the midrange of the one-bedroom rents proposed for Olympia Drive. Two bedrooms range from \$725- \$1,460/ month including heat and hot water. Olympia Drive's proposed two-bedroom rents of \$1,056/ month also place it in the middle of these complexes. Three bedroom units rent for a median price of \$1,575/ month including heat & hot water. Olympia Drive's proposed rent of \$1,220 is at the low end of market rents. About a quarter of the units in thee eight developments carry subsidized rents or rental vouchers.

Fig. G.2

Comparable Apartment Complexes in Primary Market Area

Name	Windfield Estates	Village Park	Mill Valley Estates	Rolling Green
Address	26 Greenleaves Dr	East Pleasant St	420 Riverglade Dr	422 Belchertown Rd
Town	Hadley	North Amherst	South Amherst	South Amherst
Units	80 (57 Market)	200 (80% PB S8	148 (59 Sec 8 vouchers)	204 (40 Sec 8 vouchers)
Type	Mixed/ LIHTC	Sec 8/ 236	Market	Market
Bedrooms	1Bd-8; 2 Bd-24 3 Bd-48	1Bd- 96; 2 Bd-94 3 Bd-10	2 Bd- 95; 3 Bd- 48 4 Bd- 5	1 Bd- 64; 2 Bd-103 3 Bd- 30; 4 Bd- 6
Rents	1Bd- $726- $780 2 Bd-$880- $1,000 3 Bd- $1,030- $1,255	1Bd- $663 2 Bd- $888 3 Bd-PB S8	2 Bd- $1,225-$1,275 3 Bd-$1,525-$1,575 4 Bd- $2,275	1 Bd- $1,050 2 Bd- $1,390- $1,460 3 Bd- $1,725 4Bd- $2,100
Heat & H20 Inc.	No	Yes	Yes	Yes
Amenities	community room, playground, laundry	Laundry, playgrounds, BBQ Area	Play area, gardens, laundry and hook-ups, on-site day care	Play area, pool, basketball court
Appearance	Good	Good	Good	Good
Percent Students	23%	<10%	40%	30%
Vacancies	0	3 2-Bd (rare)	0	1
Waiting List	12-18 months for LIHTC units; all sizes equal	175 for PB S8; no 236	3 Bdrm voucher holders only	N/A

Name	Puffton Village	Townhouse Condo	Presidential Apartments	Mill Hollow Apartments
Address	1040 N. Pleasant St	50 Meadow St	950 N. Pleasant St	149 Summer St
Town	North Amherst	North Amherst	North Amherst	North Amherst
Units	378	96	85	56
Type	Market	Market Condo	Market	Market
Bedrooms	1Bd-160; 2 Bd- 156; 3 Bd- 188	2 Bd- 48 3 Bd- 48	1Bd- 35; 2 Bd- 46; 3 Bd- 4	1 Bd-28; 2 Bd-28
Gross Rents	1Bd- $825; 2 Bd-$1,200; 3 Bd-$1,625	2 Bd- $1,000 3 Bd- $1,500	1Bd-$875; 2 Bd-$1,150;3 Bd-$1,500	1 Bd-$59; 2 Bd-$725
Heat & H2O Inc.	Yes	No	Yes	No
Amenities	Pool, play areas, 5 laundry facilities	None	Basketball court	None
Overall Appearance	Good	Good	Mediocre	Poor
Percent Students	80-85%	90%	80%	50%
Vacancies	0	0	0	0
Waiting List	N/A	N/A	N/A	N/A

SOURCE: Interviews with Landlords, 11/2010

Availability of Affordable Housing Options

The market area provides enough subsidized rental units and tenant based vouchers to insure that about a third of all LIHTC-eligible, non-elderly renters find affordable housing. The remaining 67 percent typically live in market rate housing and pay a high percentage of their income for rent. A relatively high demand exists for housing to serve the very-low income population (at or below 50 percent of AMI), as indicated by the following waiting lists for project-based units at the Amherst and Northampton Housing Authorities. The waiting list for the Amherst Housing Authority's family units is large enough to fill each of the 56 family units five times over.

- Subsidized Waiting Lists:

Amherst Non-elderly Housing Authority

Type	Waiting List
1 BD-	91+
2 BD-	129+
3 BD-	67+

Note: Applicants are free to apply to several programs but not to Sec 8 vouchers; this estimate assumes maximum duplication between programs.

Northampton Housing Authority

Non-elderly	Waiting List
1 BD	6
2 BD-	75
3 BD-	25

Note: Duplication may exist between Amherst and Northampton waiting lists.

New Rental Units

One proposed local housing development dwarfs all others in the community. The University of Massachusetts recently completed preliminary designs for a new 1,512-bed, $182 million dormitory complex for Commonwealth Honors College students. The new dormitories will be built near the campus center on the east side of Commonwealth Avenue between the Recreation Center and the Boyden Gymnasium. Six hundred beds will be provided for first-year Honors College students, with 270 double rooms and 60 single-bed rooms. For upper classes there will be 512 beds with 178 four-bed suites and 50 four-bedroom apartments. There will be two faculty apartments in the complex and nine classrooms. The design is expected to be finished in February, with the dorms expected to open for the fall 2013. The new housing is slated to help the campus achieve its goal of increasing its number of undergraduate students to 22,500 by 2020, up from a preliminary count of 20,140 this fall.

On a much smaller scale, HAP Housing's long-contested Butternut Farm development is currently under construction. This 26-unit project located off West Street in South Amherst will serve a range of incomes at the following rent levels:

AMI	One Bedroom	Two Bedroom	Three Bedroom
<30% AMI	0	3 @ $523	0
<50% AMI	3 @ $727	1 @ $872	0
<60% AMI	0	10 @ $1,047	9 @ $1,210

Butternut Farms proposed rents will be $78-$365/ month below current market median rents and for the most part comparably priced to the Olympia Drive project. . There will be five project-based Section 8 certificates and one HOME rent. Apartments will be available by the fall of 2012 or about six months before the Olympia Drive units come on line..

According to the Town Planners in Amherst and Northampton, there are no other significant rental developments in the pipeline.

Impact on Existing Housing Stock

Given the strength of the Amherst rental market, the size of the waiting list for subsidized units, the university's continued plans to grow enrollment faster than on-campus housing, and the number of housing vouchers available in the market area, the consultant sees little reason to believe that the proposed development will have any impact on the existing supply of subsidized units or the overall stock of private market units.

H. LOCAL PERSPECTIVES

Interviews with Housing Professionals

The following summarizes interviews with key area housing professionals regarding the need for additional housing and the impact such housing might have on the market.

In general, these respondents acknowledged that the Amherst rental market is relatively strong, while those familiar with the management of tax-credit rents warned that the pool of potential applicants who can afford to pay the rents is limited.

Other insights included the following:

- The market is driven by student enrollment at UMass. Oversubscription this year created a severe housing shortage on campus that radiated outward and resulted in virtually no vacancies in the community.

- In general, this is a very strong market with few vacancies and limited choice for new or lower-income residents

- That notwithstanding, there has been some downward pressure on prices in recent years.

- The greatest demand among Section 8 voucher holders is for three bedroom units. The town has an ample supply of Section 8 participants offering two–bedroom units.

- One respondent suggested Town-Gown housing was a delicate balance: if UMass overdevelops its on campus capacity, there could be a significant loss of income for private landlords followed by more lax screening and less investment in the physical plant.

- The local Housing Authority Director expressed concern over ability to find applicants capable of paying tax-credit and high-home rents. They currently go through as many as 15 waiting list households to find a good tenant.

- Two private landlords thought it a shame this location was not reserved for student housing; one suggested planning for additional parking space in order to convert to market-rate student housing once the restriction on use expires.

Persons Contacted

The consultant contacted the following professionals in conducting this research to ask them about their perception of the market for the proposed housing.

Donna Crabtree	Amherst Housing Authority
Jonathan Tucker	Amherst Town Planner
Patrick Kamins	Kamins Real Estate
Sarah Warren	Mill Valley Estates
Jonathan Hite	Northampton Housing Authority
Jerry Koch-Gonzalez	Pomeroy Lane consultant
Steve Walzak	Puffton Village
Lynn Ford	Rolling Green Apartments
Sarah Rastallis	UMass Office of Housing and Residential Life
Marilyn Blaustein	UMass Office of Institutional Research
Anna Leonardo	Village Park Apartments
Peg Milewski/ Linda	Windfields Family Estates

I. ANALYSIS

The following analyzes rental market demand for the proposed project in accordance with NCAHMA Market Study Standards, Section I.

Income Analysis

The primary market area has 2,350 non-elderly non-student renters. Roughly a quarter would qualify as extremely low income (<=30% AMI) and have little chance to afford one of the proposed units without having deep subsidy assistance. An estimated 670 households earn at least 30 percent of AMI and would still qualify for LIHTC units. This is the primary market focus for the 31 LIHTC units without project-based subsidy. There are another 1,142 non-student, non-elderly households with incomes of greater than 60 percent of AMI that would be the focus any market rate units if they were included in the project.

Figure I.1
Non-Elderly, Non-Student Renter Households by AMI and Household Size Primary and Secondary Market Area, 2010

PMA (Amherst)

2010	One Person	Two or Three Person	Four or More Persons	Total	Percent
<=30% AMI	200	305	33	538	23%
>30 to <=60%AMI	300	335	35	670	29%
>60 to <=80% AMI	150	160	45	355	15%
>80% AMI	250	455	82	787	33%
Total	900	1255	195	2350	100%

SMA

2010	One Person	Two or Three Person	Four or More Persons	Total	Percent
<=30% AMI	225	600	85	910	20%
>30 to <=60%AMI	675	560	85	1320	29%
>60 to <=80% AMI	250	430	50	730	16%
>80% AMI	225	1240	105	1570	35%
Total	1375	2830	325	4530	100%

SOURCE: Development Cycles from State of the Cities Data System data

Market Rent/ Market Advantage

The project's 11 deeply subsidized and low HOME units are priced well below the bottom of the private market and will be highly advantageous units for any very low-income renter. The 31 standard LIHTC units carry rents of $880/ month for one bedroom, $ 1,056/ month for two-bedroom, and $1,220/ month for three bedroom units. This compares with actual market rate medians of $925/ month for one-bedroom, $1,125/ month for two-bedroom, and $1,575/ month for three bedroom units. The LITHC units carry a $45/ month to $355/ month advantage over the current market. Given their location, new construction, and common amenities, it seems likely that the project will have a distinct advantage over similarly priced units. The challenge of this project is not overall demand, but the limited window of affordability for income-eligible households. The consultant would expect this project to compete effectively on its merits with the best rental housing in the community.

Rental Capture Rate

The initial capture rate will reflect the size of the eligible population of renters; the quality, location and price of the proposed units; and the range of subsidized and market rate housing choices available. Based on 25 years of experience looking at affordable rental housing options throughout Massachusetts, the consultant projects the initial capture rate for the Amherst project as follows:

Fig. I.2
Projected Capture Rate
Primary and Secondary Market Area, Nov 2010

	PMA (Amherst)			Secondary Market Area		
Rents Priced for Income Level	Income Eligible Households (PMA)[1]	Capture Rate Projected (PMA)	Projected Units of Demand	Income Eligible Households (SMA)[1]	Capture Rate Projected (SMA)	Projected Units of Demand
PB S8/ Low HOME						
One Bedroom	280	15%	42	450	5%	23
Two Bedroom	250	10%	25	360	2.5%	9
Three Bedroom	50	15%	8	85	5%	4
Sub-total <50% AMI	*580*	*13%*	*75*	*895*	*4%*	*36*
LIHTC Units						
One Bedroom	120	10%	12	320	4%	13
Two Bedroom	120	10%	12	360	2%	7

Three Bedroom	60	15%	9	80	4%	3
Sub-total LIHTC	*300*	*11%*	*33*	*760*	*3%*	*23*
Total	880	12%	108	1655	4%	59

1/Excludes elderly and student households and those already living in project based subsidized housing.
SOURCE: Development Cycles, 11/10

The Primary Market Area will generate at least 75 interested applicants for the 11 deeply subsidized units. The Secondary Market Area will contribute another 36 units of potential demand. Taken together there will likely be at least 10 applicants for each deeply subsidized unit available. The PMA will generate another 33 interested applicants for the 31 LIHTC units, with the SMA contributing another 23 potential applicants. These 56 units of potential demand constitute 180% of the available units. Some unit types will be more oversubscribed than others. The consultant projects that there will be five LIHTC-eligible applicants for each of the five one-bedroom units, 19 applicants for the 16 higher cost two-bedroom units, and 12 applicants for the 10 three-bedroom LIHTC units. Given these relatively slim margins of additional demand, there may be some value in looking for ways to finance a wider distribution of household incomes. In practice, it is likely that the project will prove attractive to residents currently living in the market area with Section 8 traveling vouchers. The Amherst Housing Authority administers over 400 such traveling vouchers in the community. Working with the AHA to make sure voucher holders are aware of this project can help insure a rapid rent up of the project.

Penetration Rate

Based on Census data and discussions with area landlords, the Amherst market is marked by high turnover rates approaches 40 percent of units annually. This means that roughly 2,000 rental units turnover annual, with the vast majority of those units changing hands in May or September. During the six months that the Olympia Drive project is actively marketing this project, there will be a turnover of roughly 1,000 rental units. The proposed project would require a 4.2 percent penetration rate in order to fill the 42-units in a six-month marketing window. The consultant would expect the project to have a penetration rate of at least five percent of the rental turnover during that period, allowing for full rent up within six months of occupancy. In all likelihood, the rent up period will be shorter provided the project is available for service in time for the key rent up periods of May and September.

Absorption

Given the size of the eligible market of renters, the level of turnover, the absence of competing projects coming on line in the proposed timeframe, and the projected capture and penetration rates, the consultant projects that the 42-unit development will take six months to reach full occupancy for an overall absorption rate of 7 units/ month. The 11 deeply subsidized units should rent up prior to initial occupancy. The LIHTC units will take longer, with each bedroom type renting at a rate of 2.0-2.5 units/ month. As mentioned in the last section, having units available for the key turnover dates of May 1 and September 1, will be key to attaining this level of absorption.

Fig. 1.3
Projected Absorption Rate

	Proposed	Projected Demand	Unit Absorption/ Month	Projected Absorption (months)
PB S8/ RA/ Low HOME	11	104	5.5	2.0
One Bedroom	3	65	3.0	1.0
Two Bedroom	5	34	3.0	1.6
Three Bedroom	3	12	3.0	1.0
LIHTC	31	56	5.2	6.0
One Bedroom	5	25	2.0	2.5
Two Bedroom	16	19	2.5	6.0
Three Bedroom	10	12	2.5	6.0

SOURCE: Development Cycles, 11/10

Local Preference Demand

HAP Housing's proposal to the Town of Amherst offers to provide a Local Preference for up to 70 percent of the units. Given the analysis of eligible households and market capture, the consultant projects local market demand from current Amherst residents will indeed exceed 70 percent of the available units. At the same time, only 65 percent of the total projected demand for these units will likely come from current residents and 35 percent from the secondary market area. Expanding the Local Preference criteria to include those currently working in the community will ensure that at least 70 percent of initial occupants will fall within Local Preference guidelines. Given the community's racial diversity, especially within rental units, it should not be difficult for this project to meet the regional standard for minority units while still offering a 70 percent local preference.

Recommendations

The following represent the consultant's recommendations to improve marketability:

- ❖ Work to find a funding mechanism to offset the loss of tax credits in order to allow at least a few units where households earning over 60 percent of AMI may qualify. This will significantly increase the total number of eligible applicants. The following expresses the consultant's optimal distribution of units by bedroom size and AMI to correspond to the actual demand distribution.
Note: The demand is sufficient to effectively market the project as proposed. This represents the distribution that would optimally meet market demand. It is provided simply as a guide to consider alternative financing approaches.

Bedrooms/ AMI	< 30% Sec 8	30-50% Low HOME	50-60% LIHTC	60-80% CPA	80+% CPA
One Bedroom	2	1	2	2	1
Two Bedroom	4	3	10	2	2
Three Bedroom	2	2	7	1	1
Total	8	6	19	5	4

- ❖ Target the marketing effort to existing UMass non-professional workers as well as workers in the nearby retail malls, during the rent up phase of this project. These are the largest cohorts whose incomes will qualify them for units.

- ❖ Expand the Local Preference criteria to include those currently working in the community but not current living in Amherst.

- ❖ Work with the Amherst Housing Authority to ensure that traveling voucher holders know about the project as an option.

- ❖ Make every effort to have units available for rent in time for the key turnover dates in the community of May 1 and September 1. To miss the September 1 date could slow initial absorption considerably.

Risks

The key long-term risk for this project's success would be a significant decline in the Commonwealth's financial support for the UMass- Amherst campus. Even though the project is not aimed for students, the size of the university's enrollment generates a rental market that can support the rent levels proposed for Olympia Drive's LIHTC units. This risk is quite small. In the consultant's 25 years experience working and living in Amherst, no cutbacks to the university have been large enough that they would have impacted this project in any meaningful way.

J. OTHER REQUIREMENTS

Report Information

- Date Prepared: November 1-30, 2010
- Date of Inspection: November 10, 2010
- Name and Telephone Number of Analyst: John Ryan (413) 549-4848

Identity of Interest

John Ryan certifies that he has no identity of interest with the HAP, Inc. and received no funds that were contingent on the progress of the development.

Certification

John Ryan certifies that the recommendations and conclusions of this study are based solely on his professional opinion and best efforts. The study has a number of key limitations to consider when reviewing the findings and recommendations provided:

- The consultant assumes that the client will aggressively promote and competently manage any project and that its design will afford maximum site utility.

- The study assumes that relatively stable conditions will persist over the period under consideration. Specifically, it assumes that neither Massachusetts nor the United States will suffer a major decline or depression.

- The study bases all dollar amounts on the 2010 value of the dollar unless otherwise noted. In order not to overstate the available levels of opportunity, the projections are not adjusted to reflect the effects of future inflation.

- The information, estimates, and opinions contained in this report were derived from sources considered reliable. The consultant assumes the possibility of inaccuracy of individual items and for that reason relied upon no single piece of information to the exclusion of other data, and analyzed all information within a framework of common knowledge and experienced judgment.

Statement of Qualifications

DEVELOPMENT CYCLES is a research and consulting firm specializing in housing, economic development, tourism, and agriculture. Our professional staff is experienced at working with developers, communities, and real estate professionals, as well as business tenants through the entire cycle of development from initial planning to occupancy.

Since 1985, Development Cycles has engaged in over 200 development projects throughout Massachusetts and the northeastern United States. Our clients have included numerous community-based non-profit organizations, private developers, lenders, state agencies, and local municipalities. We provide our clients with quality information and professional advice on housing need, market feasibility, marketing, financing and permitting for real estate, and economic development projects. Our public clients have included the Vermont Housing Finance Agency, the Vermont Housing & Conservation Board, Housing Vermont, the Brattleboro Area Community Land Trust, and the Regional Affordable Housing Corporation in Bennington; the Massachusetts Division of Housing and Community Development; the Massachusetts Housing Partnership, the Massachusetts Department of Food & Agriculture, numerous municipalities, and the USDA Rural Development Agency.

As the Principal of Development Cycles since 1985, John Ryan has managed projects for public and private clients involving both residential and commercial, as well as community and neighborhood economic development efforts. Ryan has performed housing needs assessment for the numerous communities in the Vermont; feasibility work for educational and resort clients including Shelburne Farms, the Stratton Mountain Corporation, and the Mt. Mansfield Company; for over 100 residential and assisted-living care projects in throughout New England; and for over 30 farms as part of the MA Department of Food & Agriculture's Farm Viability Program. Ryan has also conducted a variety of studies on adaptive reuse developments in Massachusetts and New Hampshire. Experienced in hands-on development, Ryan has managed the creation of co-housing communities in Amherst and Northampton, MA and is currently assisting the development of an Environmental Retreat Center at Shelburne Farms in Shelburne, Vermont. Ryan currently serves on the Governor's Homeownership Advisory Committee for the Massachusetts Housing Finance Agency.

Sources & Contacts

In order to complete this assessment, the consultant utilized a wide range of sources, including the following:

- U.S. Census for 1990 and 2000 (www.census.gov) and the American Community Survey for 2009 population estimates

- HUD's Fair Market Rents and Income Limits as well as State of the Cities data regarding renter household income (www.huduser.org)

- Current market rental data from the UMass Office… (www.UMOCH.org) Northampton Gazette ( ) as well as Craigslist (www.craigslist.org)

In addition, the consultant received information and opinion on the need for this housing from the following individuals

Utility Allowance

Utility allowance: The contract rent will include heat and hot water. Tenants will pay for their own electricity and cooking fuel, as well as cable and phone service. The adjustment for tenant-paid utilities will be:

	1 Bedroom	2 Bedroom	3 Bedroom
Tenant-paid Utilities	$44	$59	$74